

**Consolidated Annual Performance and Evaluation Report (CAPER)
2001-2002 Program Year
City of Scottsdale, Arizona**

Section I. Narrative Statement Addressing the Following:

A. Assessment of Five Year Goals and Objectives

The City of Scottsdale receives Community Development Block Grant (CDBG) funds each year from the federal government through the U.S. Department of Housing and Urban Development (HUD). CDBG funds can be used for a variety of public services as well as affordable housing and community development activities that principally benefit low and moderate income people, or households earning below 80% of the County's median household income¹. The City also receives HOME Investment Partnerships Program (HOME) funds through membership in the Maricopa HOME Consortium. The Consortium is the result of an inter-governmental agreement among Scottsdale, Maricopa County and six other entitlement cities in the Valley, with the exception of Phoenix. HOME funds must be used to increase the supply of decent, safe, and affordable housing. Both of these programs must address objectives that have been identified in the five-year Consolidated Plan adopted in March of 2000 and developed through a process that involved citizens' input and opportunity for public comment.

The activities funded during the period of this report (July 1, 2001 to June 30, 2002) are as follows:

**2001/02 Annual Plan Allocations
CDBG and HOME Programs**

CDBG PUBLIC SERVICES:

Agency Name	Project Name	Funding Allocation
Boys and Girls Clubs	Operation Outreach	\$19,500
Central AZ Shelter Services	Project Help	2,450
Chrysalis Shelter	Shelter and Counseling Services	25,000
Community Info./Referral	CONTACS Hotline	10,000
Homeward Bound	Case Management/Support Svcs.	20,000
Save the Family	Case Management/Support Svcs.	20,800
Scottsdale Foundation for the Handicapped	Job Training Skills	26,000
Tempe Community Action Agency	Senior Action Nutrition Program	39,000
Tempe Community Action Agency	Senior Peer Counseling	12,500
Sub-total		\$175,250

¹ In 2001 the median income in Maricopa County was \$54,900 for a family of four.

CDBG HOUSING SERVICES:

Agency Name	Project Name	Funding Allocation
Community Services of Arizona	1st Time Homebuyer Program	\$160,000
	Sub-total	\$160,000

CDBG HOUSING REHABILITATION:

Agency Name	Project Name	Funding Allocation
City of Scottsdale	Housing Rehabilitation Program	\$342,204
Foundation for Senior Living	Emergency Repair Program	167,500
Foundation for Senior Living	Home Safety Repair Program	257,500
	Sub-total	\$767,204

CDBG PROGRAM ADMINISTRATION:

Agency Name	Project Name	Funding Allocation
City of Scottsdale Community Assistance Office	Administration of CDBG Program	\$235,000
	Sub-total	\$235,000

TOTAL CDBG: \$1,337,454

HOME AFFORDABLE HOUSING ACQUISITION/REHABILITATION:

Agency Name	Project Name	Funding Allocation
ARM of Save the Family	Acquisition/Rehab of Rental Units	\$ 75,000
Community Services of Arizona	Acquisition/Rehab of Rental Units	\$214,283
	Sub-total	\$289,283

HOME PROGRAM ADMINISTRATION:

Agency Name	Project Name	Funding Allocation
City of Scottsdale Community Assistance Office	Administration of HOME Program	\$ 19,324
	Sub-total	\$ 19,324

TOTAL HOME: \$308,607

The City of Scottsdale committed 15% of the CDBG allocation to public services, which is the maximum allowed under federal regulations. Non-profit agencies provided services to seniors, youth, victims of domestic violence, homeless, persons seeking emergency shelter and transitional housing, and persons with disabilities. This year, activities were funded which addressed all five of Scottsdale's goals for public services:

- *On a continuing basis strategically commit CDBG resources, leveraged with other locally committed public service dollars, for priority public service projects, inside and outside the corporate limits, with the highest level of funding consideration to agencies that best serve Scottsdale's priority needs; participate in local collaborative efforts with other service agencies; and demonstrate the ability to leverage federal funds with other funds secured by the service provider;*
- *Commit public service resources to meet the needs of Scottsdale's growing senior population;*
- *Commit public service resources designed to further the Continuum of Care for homeless persons in the community, and in the metropolitan region as a whole;*
- *Commit public service resources to meet the needs of Scottsdale's physically and/or mentally challenged population;*
- *Commit public service resources to meet the needs of Scottsdale's disadvantaged youth and families.*

Objectives for housing assistance to homeowners, renters, and persons in need of transitional housing were developed and submitted in the Maricopa HOME Consortium 2000 Consolidated Plan for the HOME program.

Scottsdale allocated \$767,204 in CDBG funds to rehabilitation services provided both by City staff and through a contract with a non-profit housing rehabilitation provider. The Consortium objective addressed through this allocation is stated as follows:

- *Foster the production of affordable housing for existing homeowners within the Maricopa Consortium.*

All of the housing activities funded for the 2001-02 program year aided populations in need and met specific medium and high priority Consolidated Plan objectives identified in Table II-1 of the Maricopa HOME Consortium Fiscal Year 2000-2004 Consolidated Plan. *For a copy of this Consolidated Plan, please contact the Maricopa County Community Development Department at 602-240-2210.*

B. Affirmatively Furthering Fair Housing

The City has assigned responsibility for Fair Housing and Equal Opportunity (FHEO) and Americans with Disabilities Act (ADA) inquiries to one staff person as per federal regulations. The services of the Fair Housing/ADA Coordinator are highlighted in informational brochures that describe the services of the Citizen and Neighborhood Resources Department (CNR) and publicized on the CNR website. City staff receives an average of four inquiries a month on Fair Housing issues. Staff also facilitates landlord and tenant outreach. Staff time equates to approximately \$1,720.

One provision taken by the Scottsdale Housing Agency Administrative Plan is intended to streamline the Section 8 waiting list and have the effect of affirmatively furthering fair housing. To the greatest extent possible under HUD's 75% rule, all the clients on the waiting list will be assisted before it is opened again. Currently, there are 275 clients on the list. The waiting list was reopened in November 2001 and accepted 343 applications. The table below provides a breakdown of applications received:

Waiting List Recap by Voucher Size

	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Total
Elderly (62+)	46	5			51
Persons w/Disabilities	53	18	9	1	81
Family Size	49	87	53	22	211
Totals	148	110	62	23	343

Of the 343 applications received, 216 (63%) of the applications were below 30% of median income and 127 (37%) of the applications were below 50% of median income.

Scottsdale's Section 8 clients are more racially diverse than the overall population as reflected in the City's demographics. The principle impediments to fair housing choice are those related to the supply of affordable housing. This year the City took affirmative steps to address those impediments. These actions are described in the following section.

The City of Scottsdale revised its *Analysis of Impediments to Fair Housing Choice (AI)* in April 2001 for 2001-2005. This document is available for review at <http://www.ci.scottsdale.az.us/neighborhoods>.

Based on review of key economic and demographic indicators, the City's housing needs are likely to increase substantially in the next several years. The City has taken the following actions to affirmatively further fair housing and will continue these actions, in addition to the other recommended actions defined in Section III of the analysis:

- All written materials produced by the city to market our programs contain the fair housing insignia and advertises "equal housing opportunity";
- The services offered by the ADA/FHEO Coordinator for the City are published on the Citizen and Neighborhood Resources website www.ci.scottsdale.az.us/neighborhoods;
- Respond to Fair Housing complaints and inquiries and educate the community about their rights;
- Enforce a set of accessibility guidelines, developed and adopted by the City as a standard of compliance with fair housing, for new construction and major renovation of multifamily housing units;

- Educate landlords of existing properties within the community about the increased need for affordable, accessible housing units and demonstrate how accessibility can be readily achievable in building modifications and policies, practices and services;
- Assist clients in need of housing through subsidized rental vouchers;
- Provide financial and technical assistance to homeowners to rehabilitate their homes and make emergency repairs for safe and sanitary living conditions;
- Provide funding to non-profit organizations to acquire affordable single-family homes for resale to first-time homebuyers.

A Future Search Conference took place in Scottsdale in May 2001 to identify solutions that would add housing choice opportunities for people who live and work in Scottsdale. As a result from this conference, Action Groups were identified: *PORCH; Public Policies and Incentives; Southern Scottsdale Vitality Community Development Corporation; Livable Wages; Holiday Park Revitalization; and No Action Alternative*. In February 2002 the City held a Future Search Forum with the goal being to bring the participants back together to revisit each of the Action Group's plans and to update everyone. All of the groups and their team members developed presentation plans; identified their mission, vision, goals, and the resources needed to complete their goals; and their accomplishments since the Future Search Conference. These will be presented to the City Council in the fall of 2002.

In support of its efforts to affirmatively further Fair Housing Choice, the City remains active in attending Fair Housing training and workshop seminars on an ongoing basis. Information is compiled from several different sources, including communication with persons seeking Fair Housing assistance, concepts learned from training and informational seminars, and interaction with the community to contribute to a successful move toward affirmatively furthering Fair Housing.

C. Affordable Housing

The following tables describe the affordable housing activities that were undertaken by the City of Scottsdale during Program Year 2001-02; the funds that were utilized; and the accomplishments that were achieved in reaching the goals and objectives identified in the Maricopa HOME Consortium Five Year Consolidated Plan. These objectives coincide with the needs identified in Section II of this plan.

- **Objective 1. Affordable Housing for Existing Homeowners**

Program Title	Activity Narrative	Target Group	Funding Source	FY 01/02 Funds Committed	Funds Expended	Goals in 1-Year Action Plan	2001/02 Actual Accomplishments
Scottsdale Housing Rehab	Provided financial and technical assistance to homeowners to rehabilitate their homes	Low/Mod Income Homeowners below 80% of median income	CDBG	\$342,204	\$205,750	15 houses	10 houses
			HOME (FY 2000 /01)	\$39,516	\$31,046	2 houses	2 houses
FSL Emergency Repair Program	Emergency repair services	Low/Mod Income Homeowners	CDBG	\$167,500	\$163,356	30 houses	30 houses
FSL Home Safety Repair Program	Major home repairs and renovations	Low/Mod Income Homeowners	CDBG	\$257,500	\$103,864	15 houses	7 houses

- **Objective 2. Affordable Homeownership for New Homeowners**

Program Title	Activity Narrative	Target Group	Funding Source	PY 01/02 Funds Committed	Funds Expended	Leverage	Goals in 1-Year Action Plan	2001/02 Accomplishments
CSA-1st Time Homebuyer Program	Acquisition of single-family homes for resale to first-time homebuyers.	Low/Mod Income Homebuyers	CDBG	\$160,000	\$44,153	\$148,763*	6 households	2 households assisted with down payment and closing cost assistance.
CSA-1st Time Homebuyer Program	Acquisition of single-family homes for resale to first - time homebuyers.	Low/Mod Income Homebuyers	HOME (FY 2000/01)	\$148,191	\$148,191	\$545,699*	6 households	7 households assisted with down payment and closing cost assistance.

* Negotiated discount from Market Value

- **Objective 3. Affordable Rental Housing for Small Elderly Renter Households**

Project Title	Activity Narrative	Target Group	Funding Source	PY 00/01 Funds Committed	Funds Expended	Goals in 1-Year Action Plan	2000/01 Accomplishments
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No activities were specifically funded under this objective for the 2001/02 program year.

- **Objectives 4, 5 and 6. Affordable Rental Housing for Non-Elderly Renter Households**

Project Title	Activity Narrative	Target Group	Funding Source	PY 01/02 Funds Committed	Funds Expended	Leverage	Goals in 1-Year Action Plan	2001/02 Accomplishments
CSA Multi-Family Acquisition and Rehab	Acquire and Rehab rental housing in Scottsdale	Very Low Income Renters	HOME	\$214,283 plus \$100,000 from City General Fund	\$314,283 plus \$380,000 from Mar. Co.Consortium	\$100,000 City General Fund \$850,000 Private Mortgage	8 units	26 units of rental housing were acquired and rehabbed.
Save the Family Multi-Family Acquisition	Acquire rental housing	Very Low Income Renters	HOME HOME (FY 2000/01)	\$ 75,000 +195,000	\$270,000	\$22,500 Cash Resources	4 units	4 units acquired and rehabbed

Scottsdale's Affordable Housing Strategy: In 1997, Scottsdale budgeted general funds for a Housing Development Specialist. The Housing Board worked diligently with this person to complete "A Strategy for the Creation and Preservation of High Quality, Safe and Affordable Housing" to serve as a guide for future actions by the City to address affordable housing needs. This Strategy was unanimously approved and adopted by a resolution of the City Council on July 6, 1999. In May 2001, Scottsdale hosted a Future Search conference to identify solutions that would add housing choice opportunities for people who live and work in Scottsdale. In February 2002, the City held a Future Search Forum to bring together the participants from the conference and to revisit the plans of the Action Groups that were identified.

In addition to the Future Search Conference, the City conducted an internal reorganization of housing functions and staff to emphasize the City's commitment to improving neighborhoods. The new Citizen and Neighborhood Resources Department was created in fiscal year 2001-02 to preserve and enhance the health, character, integrity, and vitality of Scottsdale neighborhoods - a key goal set by the City Council in the fall of 2000. The new department combines neighborhood functions with the management of the City's housing rehabilitation programs and the development of affordable housing projects.

Section 8 Exception Rents: In order to address the high costs of market rate housing in the community, the Scottsdale Housing Agency again requested and received approval for 20% exception rents to allow Section 8 clients more flexibility in finding rental units in the private rental market.

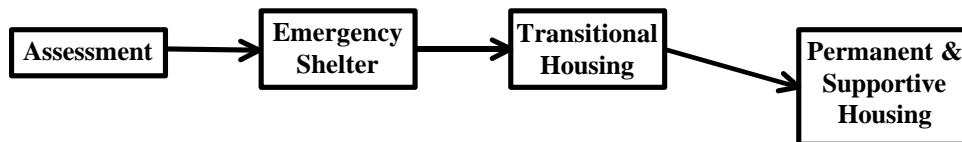
Section 8 Fair Share Allocation of Vouchers: This year the City applied for and received 25 additional vouchers under HUD's Fair Share allocation process.

General Fund Commitment for Affordable Housing: The City of Scottsdale has recognized the need to become more involved in financing affordable housing activities to match and/or leverage other federal, state and private resources. As part of that commitment, the Scottsdale City Council placed a \$100,000 annual allocation in the City's base budget specifically for affordable housing development or preservation. These funds were allocated toward the acquisition and rehabilitation of rental housing for Fiscal Year 2001-2002. Thirteen units were acquired and rehabilitated by Community Services of Arizona using HOME funds and these funds.

D. Continuum of Care

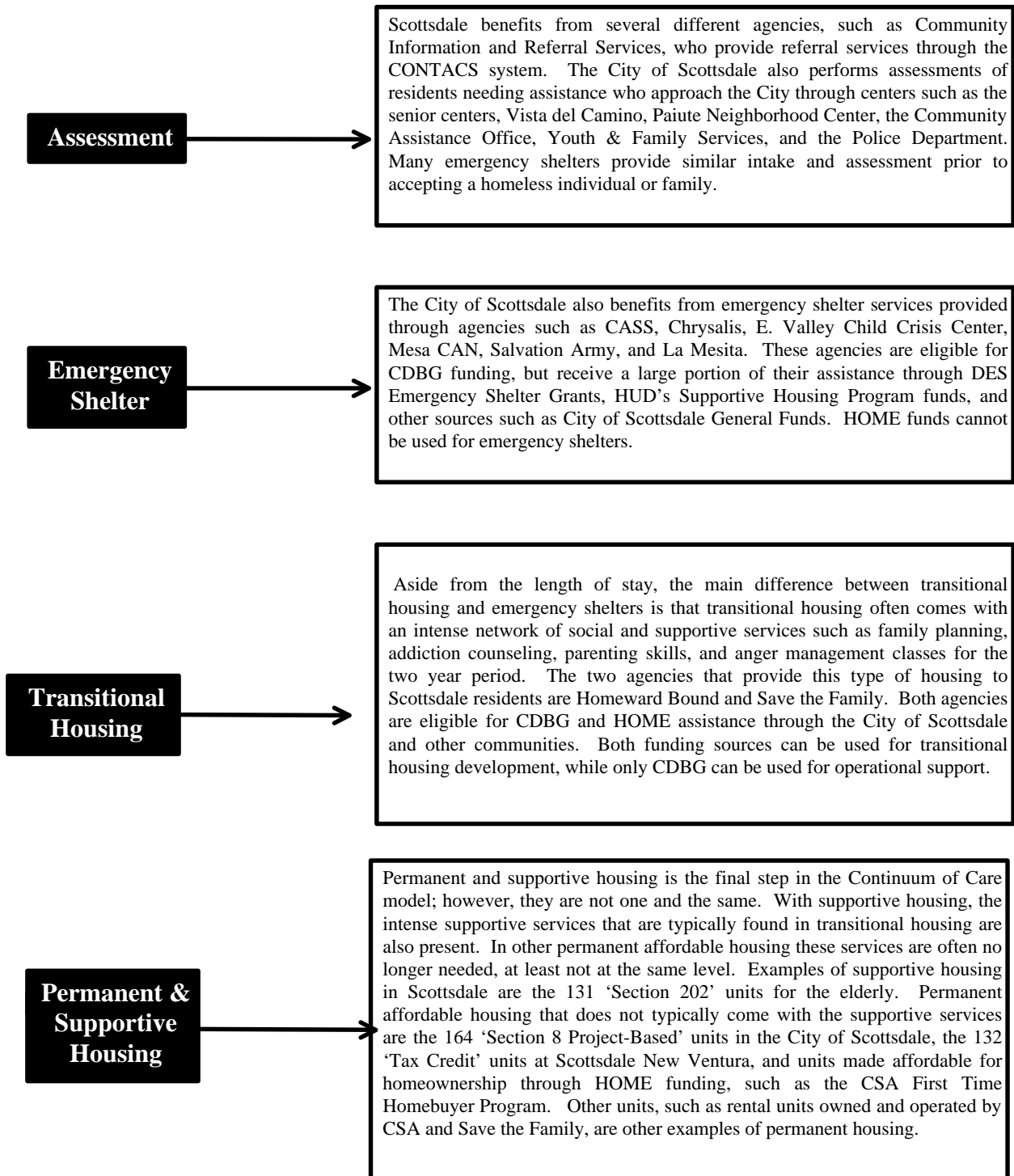
The Continuum of Care model for assisting homeless families and individuals to achieve self-sufficiency is based on the understanding that homelessness is not caused merely by a lack of shelter, but involves a variety of underlying, unmet needs - physical, economic, and social. The most common hypothesis is that the best approach for alleviating homelessness is through a coordinated community-based process that provides a comprehensive response to the differing needs of homeless individuals and families. The fundamental components of a Continuum of Care system are:

1. Outreach and assessment to identify an individual's or family's needs and connect them to facilities and services.
2. Immediate (emergency) shelter as a safe, decent alternative to the streets.
3. Transitional housing with appropriate supportive services, such as job training/placement, child care, substance abuse treatment, mental health services, and instruction in independent living skills.
4. Permanent housing or permanent supportive housing arrangements.



While not *all* homeless people will need access to each of these components, all four must be present and coordinated within a community in order for the Continuum of Care to be viable. A homelessness prevention strategy is considered a key to the success of the Continuum of Care. The Consolidated Plan's Special Needs statement on homelessness provides the foundation upon which the overall Continuum of Care is built.

Scottsdale's Continuum of Care



The following is an outline of funding received through CDBG, HOME, and General Fund during program year 2001-02 to support homeless services throughout the Continuum of Care model:

Continuum of Care Stage	PY 2001/02 Activities
<ul style="list-style-type: none"> <u>Assessment</u> 	Assessment activities are not an eligible expense under the HOME program, and are often difficult in meeting the national objectives of the CDBG program. The regional CONTACS system for referring homeless individuals and families to available shelter beds received \$10,000 in CDBG funding through the City.
<ul style="list-style-type: none"> <u>Emergency Shelter</u> 	\$25,000 in CDBG public service dollars and \$10,000 in General Fund dollars to Chrysalis Shelter for victims of domestic violence. \$46,000 in General Fund dollars to Central AZ Shelter Services to provide support services; \$32,000 to the East Valley Transitional Training and Living Center; and \$21,000 to LaMesita-A Family Shelter.
<ul style="list-style-type: none"> <u>Transitional Housing</u> 	\$40,800 in CDBG public service dollars to Homeward Bound and Save the Family to provide support services; and \$270,000 in HOME funds to Save the Family to provide transitional housing for homeless families.
<ul style="list-style-type: none"> <u>Permanent & Supportive Housing</u> 	With HOME funds, 13 rental units were acquired and rehabilitated by CSA; and first-time homebuyers purchased 9 houses. Save the Family acquired and rehabilitated 4 rental units.
<ul style="list-style-type: none"> <u>HIV/AIDS</u> 	No activities specifically addressed HIV/AIDS this year.

E. Other Actions

(24 CFR 91.215, 91.220, 91.230, and 91.520)

Under-Served Needs: To address under-served needs this year, Scottsdale provided space and administrative support to Concerned Citizens for Community Health (a local non-profit) for their United Way-funded social worker to staff the Vista/Paiute Job Preparation Program. This program provides case management and job readiness services to unemployed and underemployed Scottsdale residents.

Affordable Housing: The City of Scottsdale implemented several extremely progressive steps towards increasing the supply of affordable housing in the future, including adoption of an affordable housing strategy; the creation of a new general fund allocation for affordable housing development; funds for a Future Search Conference on Affordable Housing; and a proposal for \$12.9 Million in General Obligation Bonds to finance land acquisition for affordable housing. The ballot issue failed, but the Future Search Conference resulted in Action Groups being formed to identify activities and projects that will provide affordable housing opportunities for people who live and work in Scottsdale.

For more detail on Scottsdale's actions to address affordable housing needs, see Section I.C.

Barriers to Affordable Housing and Gaps in Institutional Structures: Barriers to affordable housing were identified in Scottsdale's Strategy for the Creation and Preservation of High Quality, Safe and Affordable Housing, adopted by City Council in July 1999. Specific actions were identified in this report to address those barriers and to minimize their impact. For a copy of this Strategy report, contact the Scottsdale Community Assistance Office at 480-312-7647.

Public Housing and Resident Initiatives: Scottsdale has no public housing units; and therefore, no public housing tenants.

Lead-Based Paint Hazards: Both the Housing Rehabilitation Program and the Section 8 Program address lead-based paint compliance through Housing Quality Standards (HQS) inspections. The new lead-based paint regulations were applied to housing rehabilitated after September 1, 2000. Scottsdale has two staff members certified for lead paint testing.

Compliance and Monitoring: The Community Assistance Office Grants Accountant, along with the Community Assistance Manager and other program staff, monitors overall regulatory compliance. The Grants Accountant reconciles financial records, monitors the City's sub-recipients according to level of risk, and participates in the Maricopa Consortium Monitoring Team to review the operations of cities and Community Housing Development Organizations funded through the Consortium's HOME Investment Partnerships Program. During this reporting period, eight agencies with 10 contracts, were monitored on-site at the subrecipients' office. Additionally, the Community Assistance Office was monitored by the HOME Consortium in March 2002 to verify that the City of Scottsdale is in compliance with all HOME regulations. As the City of Scottsdale receives more than \$300,000 in federal subsidies, a Single Audit is a requirement and is performed by external auditors as part of their examination of the City's overall financial position. The audit results had an "unqualified opinion" with no findings of non-compliance.

Anti-Poverty Strategies: The 2000 Census indicates there are 11,650 individuals living in poverty in Scottsdale, representing 5.8% of the community's total population. This compares to 5.9% of Scottsdale individuals living in poverty in 1990. Scottsdale's median income throughout all segments of the community increased faster than most areas of the County during the 1990's. One of the most significant ways that Scottsdale contributes to reducing poverty in our community is through economic development initiatives and provision of infrastructure for economic expansion. The City of Scottsdale, the Scottsdale Chamber of Commerce, and the Scottsdale Industrial Development Authority participate in economic development activities through retention and recruitment of businesses that attract new employment opportunities at higher income levels. All three entities also participate in small business incubator and related programs

as well. Scottsdale is committed to increasing wages through Family Self-Sufficiency programs, job preparation programs, job training and counseling programs, and through transitional housing services for homeless, and home purchase programs. During this past year 66 Family Self Sufficiency families were involved in activities in which 42 families improved their employment situation. 19 unemployed families obtained jobs through the program, and another 23 families found better-paying jobs and increased their annual wages. Among the 42 families, the average increase in annual wages per family was \$14,061. The City's Vista Job Prep program involved 33 participants during the program year. 10 participants who were unemployed found employment, and 1 participant obtained a better paying job. The combined earned income for the Vista Job Prep participants increased \$213,111 during the fiscal year, from \$77,875 at the beginning of the year to \$290,986 at the end of the program year.

F. Leveraging Resources

Scottsdale has an active tradition of working in partnership with non-profit service providers to bring resources and services to low and moderate-income residents. This program year Scottsdale citizens contributed \$148,027 to *Scottsdale Cares* by paying an extra dollar in their City utility bill. These funds were then matched, fifty cents on the dollar, by PNI Charities, for a total of \$222,040. This total, plus interest earnings in the amount of \$8,654, were allocated to 21 public service providers. The City also granted \$180,000 from general funds to 9 public service providers. Services were provided to children, teens, elderly, families, victims of domestic violence, persons with disabilities, persons with AIDS, and homeless persons.

Scottsdale licenses the use of space in community centers to secure the additional services of "brokerage agencies". The "brokerage" of rooms, utilities, maintenance, and storage is done at no cost to the service providers, with the agreement that they provide services at the City facilities. Consequently, residents who need human services can receive these services in one place, and the family as a whole can participate in several programs. The availability of brokerage services in community centers expands the types of services and amount of services that residents may access for their needs. For fiscal year 2001-02, over 35 agencies utilized the "brokerage concept" equating to \$532,009 in total annual support by the City.

Also during 2001, the City of Scottsdale allocated \$100,000 from its general fund budget for affordable housing development to be used in leveraging other public and private sources of funds. These funds were utilized to leverage HOME funds in the acquisition and rehabilitation of 26 rental units in Scottsdale.

G. Citizen Comments

The Public Notice of the availability to review this CAPER was published in the local newspaper on September 10, 2002. Citizens are given fifteen days to comment. See also Section VI: Public Participation.

H. Self-Evaluation

The housing and community development high points for the year included:

1. Securing and allocating a third year \$100,000 General Fund allocation for affordable housing;
2. Continued success in the Single Family Housing Rehabilitation and First Time Homebuyer programs, including the City's second homebuyer from the Family Self Sufficiency program;
3. Administering the expenditure of significant federal housing resources in compliance with the regulations;
4. Exceeded HUD's priority on the timely use of CDBG funds; and successfully completing the CDBG cleanup in IDIS.
5. Partnering with other Maricopa County agencies in the review and allocation of Continuum of Care funding for the homeless, including participation in the regional Steering Committee, as well as the Proposal Ranking and Review Committee;
6. Successfully training both new and existing staff on CDBG, HOME, Environmental Review, Lead-Based Paint, Section 8, ADA, Affirmatively Furthering Fair Housing, and Housing Finance.
7. Hosting the 2002 National Community Development Week Celebration for Arizona in April where jurisdictions from across the state gathered to recognize the overall successes of CDBG and honor exemplary projects.
- 8.



The acquisition and rehabilitation of this 26-unit property was funded with \$214,283 from Scottsdale's HOME allocation and \$380,000 in Consortium HOME funds. This investment leveraged \$100,000 in General Funds from Scottsdale and an \$850,000 mortgage from a private lender.

The shortcomings for the year and the actions to address those shortcomings are as follows:

1. Community Services of Arizona received an allocation of \$160,000 in CDBG funds to provide a first-time homebuyer program to six income eligible families purchasing first homes in Scottsdale. Because the agency still had HOME funds from program year 2000-01 to expend for the first-time homebuyer program, the CDBG contract was extended through June of 2003. All the HOME funds have been expended. They did assist two families this program year with down payment and closing cost assistance with the CDBG funds. They have since provided the same assistance to two more families, and three more are committed.
2. The City Housing Rehab program and the Foundation for Senior Living Major Housing Rehab program were allocated CDBG funds to assist 15 households each. The City's program assisted 10 households this program year and we expect all the remaining funds to be expended by the end of 2002. FSL's program assisted 7 households this program year and their contract has been extended through the end of September. Any funds that may be remaining will be reprogrammed into next fiscal year's activities.

Section II. Community Development Block Grant (CDBG) Entitlement Funds Narrative Statement Addressing the Following Issues:

A. Assessment of Use of Funds

The assessment of use of 2001 CDBG funds to meet the five-year Consolidated Plan objectives were addressed in Section I.A. Short-term objectives for the CDBG program were described in the 2001 Annual Action Plan for CDBG. For a copy of the Annual Action Plan document, please contact the Scottsdale Community Assistance Office at 480-312-7647.

The activities funded from the Community Development Block Grant for 2001 corresponded directly to activities budgeted in the Annual Action Plan. All agencies that contract to provide services do so on a reimbursement basis. Funds are disbursed after the services have been provided. Performance in all activities was generally at or above the goals proposed in the CDBG Annual Action Plan. A wide variety of public service activities benefited 2,568 low and moderate-income residents. Additionally, housing rehabilitation activities assisted 47 households. We stated we would assist 60 households through housing rehab/repair. The primary reason for the reduced number of housing rehabilitations was due in part to an increased amount of ineligible applicants and a lack of responses from those applicants removed from the waiting list. Another reason was due to federal Lead Based Paint requirements that typically add 3-6 weeks to the assistance process per client. Contractors are given on average 60 days to complete a job due to the amount of work involved in each individual rehab and lead based paint

controls. Currently, there are 13 applicants on the Housing Rehabilitation Program waiting list. The City of Scottsdale advertises for general contractors to bid for the Housing Rehabilitation Program in the Tribune Newspaper yearly. Additionally, invitations to bid on projects are solicited to all of the contractors currently on the bidding list.

The City of Scottsdale's Citizen and Neighborhood Resources Department (CNR) was created to address the direct needs of the community. The Housing Rehabilitation Program was relocated from the Human Services division to CNR and will be administered from the CNR Department this fiscal year.

B. Nature and Reasons for Changes in Program Objectives

The Community Services of Arizona's First-Time Homebuyer contract was extended an additional year so they could expend all the CDBG funds allocated to them.

The Foundation for Senior Living's Major Housing Rehab contract was extended an additional three months so they could expend all the CDBG funds allocated to them.

C. Assessment of Performance on Consolidated Plan

Based on all available information, the City of Scottsdale can certify that it is administering the Community Development Block Grant program in compliance with its Consolidated Plan and the rules, regulations, and certifications required by the Department of Housing and Urban Development of its grantees.

No actions were taken to limit the implementation of the Consolidation Plan within the available CDBG resources.

D. National Objectives

With the exception of administrative expenses, all of the CDBG expenditures benefited low and moderate-income persons. There were no expenditures for slum and blight removal, urgent community development needs, or for ineligible activities.

E. Actions Impacting Occupied Real Property

Owner Occupied Rehabilitation

- All owner occupied rehabilitation contracts were written to allow the occupant to remain in the property while the rehabilitation work was underway. Contracts included appropriate notices and cautions for work with lead-based paint. Rehabilitation with the occupant in place does create some inconvenience for both the client and the contractor; however, with the level of work being undertaken, the City has determined that the inconvenience of remaining in place is comparable to the inconvenience of moving.

F. Economic Development Activities

There were no CDBG funded economic development activities funded during the program year. See “Anti-Poverty Strategies” under Section I.E for non-CDBG funded activities related to economic development.

G. Limited Clientele/Nature and Location

All activities that did not benefit a presumed benefit/limited clientele required applications that included information about household income.

H. Program Income

No program income was received.

I. Rehabilitation Activities

Housing rehabilitation is a critical resource for the preservation of Scottsdale’s older residential neighborhoods. Traditionally, housing rehab has been very well received in the community. The program improves living conditions for the specific homeowners, as well as maintaining the viability of older established neighborhoods. From July 2001 through June 2002 there were 50 applicants on the wait list. Of the 50 applicants, 43 have been either assisted or removed from the wait list. Currently there are 13 applicants on the list with a wait of approximately 4-6 months.

Single family, owner-occupied properties were assisted under three programs. Two of the programs involved complete rehabilitation to Property Rehabilitation Standards (which exceed Housing Quality Standards). The City’s in-house Housing Rehabilitation program coordinated the rehabilitation of 10 homes. The parallel program provided by FSAL Programs, Inc. assisted with the rehabilitation of 7 additional homes. Finished products and levels of customer satisfaction were generally comparable for the two programs and met the City’s requirements for productivity and efficiency. The City also contracted with FSAL Programs, Inc. to provide emergency home repair assistance to address failed items that impact on the livability of the home (e.g. leaking roofs, inoperable heating and cooling systems, and leaking plumbing); to respond to code complaints where a citation has been issued; and to make modifications to provide accommodations for persons with disabilities. The Emergency Repair program assisted 30 homeowners with various requests for assistance. A total of 47 units were assisted under the three programs in 2001-02.

J. HUD Approved Special Designations

Scottsdale has not applied for special designations for Neighborhood Revitalization Strategy Areas or Enterprise Zones.

Section III. HOME Funds Narrative Information:

A. Consolidated Plan Accomplishments

HOME funds for the 2001 Program Year were allocated to two non-profit agencies for the acquisition and rehabilitation of 17 units of rental and transitional housing.

B. Match Report

Amount of match included in the Maricopa HOME Consortium CAPER.

C. MBE/WBE Report

The form HUD-40107 included in the Maricopa HOME Consortium CAPER.

D. On-site Inspection Results

City of Scottsdale staff performed an on-site inspection of Shalimar Sands, 6824 East 4th Street, Scottsdale, AZ, which is owned and managed by Community Services of Arizona.

Section IV. HOPWA Funds Narrative Information:

The City of Scottsdale does not receive Housing Opportunities for Persons with AIDS (HOPWA) funds.

Section V. ESG Funds:

The City of Scottsdale does not receive Emergency Shelter Grant (ESG) funds.

Section VI. Public Participation Requirements:

Public participation is constant and year round for the Community Development Block Grant and HOME programs. The entity most responsible for this public review and comment is the City's Human Services Commission. This commission holds several public meetings during the application process, including the meetings each year where applicants for CDBG and HOME funds are invited to present their applications and respond to questions. The Commission invites a member of the City's Housing Board to participate in the review process for grant applications. This process begins in October with an orientation meeting for potential applicants, and culminates in April when the Commission formally presents its funding recommendations to the City Council. During the remainder of the year the Commission invites particular agencies, including beneficiaries of programs funded by grants and local funds, to present status reports at their meetings. In September the Human Services Commission does a public review of this CAPER.

The Community Assistance Office actively seeks client feedback through a stamped, self-addressed ***How Did We Do*** survey that is available at the front desk and from all staff. Feedback from the survey is frequent and generally positive. Numerous letters of appreciation from the clients of the Section 8 program, and the Housing Rehabilitation programs have been received.

This CAPER Narrative, along with the Activity Summary Report from IDIS, was made available for public review on September 10, 2002, at the Community Assistance Office, the Scottsdale Public Libraries, and the Citizen Service Centers. Notice of the availability of the CAPER was published on September 10, 2002, in the *Scottsdale Tribune*. These documents are also available in other formats. This CAPER Narrative, without attachments, is posted on the City's web page in the Human Services section under the Community Assistance Office at <http://www.ci.scottsdale.az.us/communityassistance>.